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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)
) CC Docket No. 97-181
Defining Primary Lines)

**REPLY COMMENTS OF SOUTHWESTERN BELL TELEPHONE COMPANY,
PACIFIC BELL, AND NEVADA BELL**

Southwestern Bell Telephone Company, Pacific Bell, and Nevada Bell (collectively, the "SBC LECs") submit these Reply Comments to the comments filed on September 25, 1997, in response to the Notice of Proposed Rulemaking FCC 97-316 ("NPRM"). By filing these Reply Comments, none of the SBC LECs or any affiliate waives, prejudices, or otherwise adversely affects any appeal or other recourse from any Commission proceeding, including the Access Charge Reform Order.¹

**The Definition of Primary Line Should Be Made with Reference to Customer
Account Information Used for Billing**

There is strong support among commenting parties that the definition of primary residential lines should be linked to the initial line associated with a customer account at a specific service address. The majority of price cap local exchange carriers ("LECs") confirmed that their billing systems are designed to most easily implement the SBC LEC proposed definition of

¹ *Access Charge Reform, Price Cap Performance Review for Local Exchange Carriers, Transport Rate Structure and Pricing, End User Common Line Charges*, CC Docket Nos. 96-262, 94-1, 91-213, and 95-72, First Report and Order, FCC 97-158 (released May 8, 1997) ("Access Charge Reform Order").

primary line. For the reasons provided in the SBC LECs' initial Comments, the Commission should adopt that proposed definition and identify primary lines accordingly.

Self-Certification Has Been Shown To Be Unnecessary and Inappropriate

A diverse representation of parties point out the pitfalls of requiring customer self-certification, and the record plainly demonstrates that the need for customer self-certification can be eliminated by adoption of an appropriate definition of "primary line."

In contrast, there is absolutely no record supporting the conclusion that customer self-certification is necessary for price cap LECs to charge an appropriate subscriber line charge ("SLC") or presubscribed interexchange carrier charge ("PICC"), or that self-certification would be administratively easy, inexpensive, or even understandable to either customers or the price cap LEC personnel charged with implementing the Commission's two-tiered structure. A naked assertion that mandatory self-certification would "not [be] administratively burdensome" does not make a record, especially when made by a competitor that would not have to administer such a system. MCI Comments, p. 3. Competing carriers have an obvious incentive to convince regulators to saddle incumbent LECs with unnecessary responsibilities and added costs that the competing carriers do not have to bear. Even when the price cap LECs are permitted cost recovery, incurring unnecessary costs just makes price cap LECs less competitive and exacerbates the number and size of the regulator-created competitive advantages that carriers like MCI already enjoy. When viewed with MCI's proposal that would permit competitors access to that

information² and its proposed "strict/no fault liability" approach to erroneous billing and primary line disputes (which include not only monetary penalties but third party audits paid for by the price cap LEC), the strategy of increasing price cap LEC's administrative and cost burdens is transparent.

Another party advocating self-certification, the People of the State of California and the Public Utilities Commission of the State of California ("CPUC"), relies on the fact that it has already required the identification of primary lines for California intrastate universal service purposes. As stated in the SBC LECs Comments at page 2, this proceeding involves only how a price cap LEC implements the mandated rate structure and charges its own customers. The charges billed by a price cap LEC to a customer cannot be dictated by the presence or absence of services another carrier might provide to that same customer. For example, the single residential line provided by a price cap LEC to a particular subscriber is the "primary line" regardless of the fact that another facilities-based carrier might provide multiple residential lines to that same customer. In contrast, the CPUC definition and implementation of "primary line" was for purposes of providing universal service high-cost support limited to a single residential line. The universal service considerations that may apply for that purpose are simply not present here.

Nevertheless, the experience with self-certification used in the CPUC's Universal Lifeline Telephone Service ("ULTS") program is instructive on the mechanics and costs of a relatively simple customer self-certification process. That experience unquestionably demonstrates that the

² See pp. 5, 6, 9, and 10 herein, and the discussion of customer proprietary network information and 47 U.S.C. § 222.

process is inherently expensive and complex, requiring multiple customer contacts and tracking of initial and subsequent mailings. To begin, the expense of annually notifying existing Pacific Bell non-ULTS residential customers about the California program is approximately \$.08/customer, or \$600,000 per year for a bill insert. Pacific Bell also incurs an annual \$18 million expense associated with Pacific Bell-initiated customer service contacts to make subscribers aware of and explain the ULTS program. Additional expense is further incurred in answering questions of subscribers who call Pacific Bell about ULTS. The cost of sending and receiving self-certification forms and reminders is about \$1.5 million annually, a figure that does not include the cost of storing the returned forms. An additional \$900,000 is also spent every year for the annual re-certification of existing ULTS customers. Pacific Bell's experience is not unique -- GTE also has experienced significant expenses with self-certification in California. See CPUC Comments, Attachment A, pp. 3, 4 (acknowledging GTE's claim that "the annual self-certification process for the ULTS has been costly to the program and administratively burdensome to its company.").

In any event, regardless of the merits of customer self-certification, all parties agree that wholesale self-certification is not needed. Even those parties that advocated self-certification recognize that current billing information should be used to at least initially identify primary lines. See MCI Comments, p. 4 ("In instances where the end user has only one line, and it is provided by the [incumbent LEC], the line can automatically be labeled as the 'primary' line -- no customer self-certification is needed."); CPUC Comments, p. 5 ("The CPUC does not believe all customers need to participate in the self-certification process at the outset. . . . Relying on existing information can reduce administrative costs."). In fact, all but one of those relatively few parties

either advocating or unopposed to customer self-certification seeks to limit such to a small subset of customers (i.e., present accounts with multiple lines, all new orders).

The FCC Should Treat Any Primary/Non-Primary Line Information Like All Other CPNI

The Commission should conclude that the primary/non-primary line information is customer proprietary network information ("CPNI"), and that rules applicable to any other local exchange CPNI should likewise apply. Primary/non-primary line information is customer account information that relates to the "amount" and "type" of local exchange telecommunications service subscribed to by a customer; therefore, it constitutes CPNI under 47 U.S.C. § 222(f)(1)(A). As such, the information is no less subject to the CPNI restrictions and limitations in 47 U.S.C. § 222 and applicable Commission rules as any other form of CPNI. Accordingly, the SBC LECs echo the comments of those parties that urge the Commission to consistently apply to primary/non-primary line information the CPNI rules that will be promulgated in the pending *Telecommunication Carriers' Use of Customer Proprietary Network Information and Other Customer Information*, CC Docket No. 96-115.

In this regard, the approach suggested by Cox Communications, Inc. ("Cox") is clearly and fatally flawed. Cox starts by asserting that primary line information is "subscriber list information." There is absolutely no basis for that assertion. Subscriber list information is confined, in relevant part, to names, addresses, and telephone numbers of "listed" customers. 47 U.S.C. § 222(f)(3). Such information does not extend to the amount or type of telephone service subscribed to by a customer.

Moreover, a customer's listed name, number, and address are normally expected by the subscriber to be disclosed for the obvious purpose of allowing persons to find the telephone number of the subscriber. Primary/non-primary line information has no similar "directory publishing" use, and there is no basis to presume that a customer has no legitimate expectation of privacy in the number of lines he or she may have, or how he or she designated priority among them. To the contrary, information regarding the number of lines that a customer has (*i.e.*, the amount of service), and the relative priority among them given by the customer (*i.e.*, the type of service), is CPNI which reflects a private and personal telecommunications service choice. Customers -- and Congress -- are becoming increasingly sensitive about the availability of personal information in this electronic age, and the Commission should respect those concerns here.

In sum, there is simply no grounds for treating this primary line information different than any other form of CPNI, or treating it as subscriber listing information. Further, if and when that CPNI is shared with a carrier for billing purposes, the use of that information must be strictly limited in accordance with 47 U.S.C. § 222.

More Time is Needed to Implement a Two-Tiered SLC/PICC Structure

The SBC LECs agree with the other price cap LECs' conclusion that it is not possible to implement a two-tiered SLC and PICC rate structure by the current January 1, 1998, deadline. See Bell Atlantic Comments, pp. 8, 9; BellSouth Comments, p. 2; GTE Comments, pp. 15-17; see also USTA Comments, pp. 3, 4. No matter what definition of "primary line" the Commission adopts or the method used to implement it, there simply is not enough time to take the actions

that will be necessary to put the structure into place. Depending upon the resolution of the issues being debated in this proceeding, the SBC LECs have estimated that a minimum of six (6) months is needed after the decision in this proceeding is released. The various time estimates provided by the price cap LECs -- the parties who would actually have to implement the primary line structure -- are consistent with that estimate. Obviously, the more persons involved in implementation (other carriers, customers), the longer that implementation period may become. Thus, even if the decision in this proceeding were to be released tomorrow, the comments unanimously demonstrate that the less than three (3) months left in the year are not sufficient.

Furthermore, as various parties have explained, no price cap LEC can be reasonably expected to institute a two-tiered SLC/PICC structure until the Commission releases its decision. Adoption by a price cap LEC of its own definitions and implementation methods would undoubtedly result in two customer-affecting and -confusing changes; increased expenses, both internal (double administrative training and methods, billing system changes, customer service representative confusion) and external (customer and carrier notifications), and multiple disputes with resellers and interexchange carriers. Indeed, in light of MCI's comments and its "strict liability" approach, a price cap LEC could count on a dispute with MCI (whether acting as an interexchange carrier, a local service reseller, or both) based upon any decision that the price cap LEC might make that is different than what MCI has suggested or what the Commission ultimately adopts.

To the extent that the Commission does not modify the implementation timetable on reconsideration of the Access Charge Reform Order (assuming it does not eliminate the two-

tiered structure altogether), the Commission must be willing to entertain requests to waive the January 1, 1998, deadline.

The Commission Should Not Dictate Communications Between a Price Cap LEC and its Customers

The SBC LECs agree with those parties that the Commission should not attempt to dictate the content of communications with customers, or when, how, and how often that communication must occur. As various parties have pointed out, such a requirement would be a substantial departure from previous Commission decisions. There has not been a reasonable and sufficient explanation on the proposed change in Commission direction and, the SBC LECs submit, no basis for a change exists here. Moreover, the various problems and issues raised by the parties opposing adoption of any mandatory text or script are real, cannot be ignored, and would result in costs that would need to be recovered. Pacific Bell, for example, must provide customer notification in English and Spanish, and provide an "800" number for access to Asian translations.

If the Commission nevertheless adopts a mandated customer communication, text similar to that suggested by the Rural Telephone Coalition ("RTC") is much more preferable than the one contained in the NPRM or proposed by MCI. The RTC proposal provides the customer with more relevant information presented in a straightforward manner, along with appropriate contact numbers, the combination of which has will help minimize customer questions and the additional administrative costs that the price cap LECs will have to incur. In contrast, the other proposals might leave the customer with the erroneous impression that the SLC structure is based upon a

voluntary decision made by the serving price cap LEC. Commission rules which dictate that an price cap LEC recover its costs in a specified manner *or not at all* cannot be squared with the impression left by the proposed use of "The Federal Communications Commission allows" To the extent that customers are upset, confused, or otherwise wish to speak with someone about the structure, the "cost causer" should be fielding those calls.

Finally, the position of MCI is interesting. As the Commission will recall, MCI asserted its first amendment rights in addressing the prohibition on the use of the term "surcharge" associated with the recovery of federal universal service contributions. See MCI's "Petition for Reconsideration and Clarification," pp. 11, 12, filed on July 17, 1997, in *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45. Here, where MCI would not be subject to the proposed requirement, MCI is not at all troubled by any first amendment implications and is instead urging the Commission to mandate communication of government-approved content. The suggestion of mandatory language is no less a first amendment issue than the Commission prohibition against the use of a single word. The price cap LECs have the constitution right of free speech, including the rights to communicate truthfully with its customers and to be free from government interference with that speech (including by mandated communication). The Commission should thus decline to adopt any dictated and mandated communication.

Line-Level Information Should Not Be Required to Be Provided to Other Carriers

The SBC LECs are opposed to providing carriers with line-level detail for each billed telephone number, including all other telephone numbers associated with the billed telephone number as has been suggested. MCI Comments, p. 10; Sprint Comments, p. 9. For example,

Sprint claims that line-level bill detail must be conveyed so that interexchange carriers ("IXCs") can verify PACC billings. Providing such detailed billing every month would be onerous and costly for price cap LECs. Some level of detail will be necessary to settle disputes, but aggregation to the NPA-NXX level on an as-needed basis is sufficient. If the provisioning of customer-by-customer detail is mandated, however, price cap LECs must be able to recover the additional costs of providing the information from the carrier receiving it.

Moreover, the Commission cannot lose sight that MCI, Sprint, and other IXCs (or their affiliates) are or will be competing against the price cap LEC for the same local service customers. Requiring such line-level detail would provide actual and potential competitors with extremely sensitive competitive customer-specific information. Such information would be very valuable, especially inasmuch as new entrants are expected to attempt to win over hesitant potential customers by first providing additional, "non-primary" lines. If this detailed information is provided, the use restrictions and limitations imposed on such CPNI by 47 U.S.C. § 222 and applicable Commission rules must be strictly enforced against those carriers receiving the information. Otherwise, the information could be used to implement that strategy and begin targeting a price cap LEC's end-user customers with multiple lines.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I, Katie M. Turner, heraby certify that the foregoing, "REPLY OF SOUTHWESTERN BELL TELEPHONE COMPANY" in CC Docket No.97-181 has been filed this 9th day of October, 1997 to the Parties of Record.

A handwritten signature in cursive script, reading "Katie M. Turner", written in black ink.

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October 9, 1997

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**Before the
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In the Matter of)	
)	
Tariffs Implementing)	CC Docket No. 97-250
Access Charge Reform)	

REPLY OF SBC COMMUNICATIONS INC.

SBC Communications Inc. (SBC), on behalf of Southwestern Bell Telephone Company (SWBT), Pacific Bell, and Nevada Bell, (collectively, the SBC Companies) and pursuant to Section 1.106 of the rules of the Federal Communications Commission (Commission), hereby replies to the opposition filed by MCI Telecommunications Corporation (MCI) against SBC's Petition for Reconsideration (Petition) of the Memorandum Opinion and Order (MO&O) released June 1, 1998 in the above-styled matter.

As a threshold matter, MCI implicitly admits that SBC's petition is meritorious since MCI does not dispute that the Commission's action constituted a new "information collection" that must have Office of Management and Budget (OMB) approval before effectiveness. While MCI disputes the fact that the Commission's action constituted a new definition of "non-primary lines," it does not address the ramifications of the Commission's requirement that the SBC Companies begin collecting new information on their subscribers (information which had not previously been required to be reported pursuant to a valid OMB authorization.) Since no OMB authorization existed at the time the Commission required the tariffs to be filed, the collection of the information on the non-primary line subscribers cannot be mandated (either to force a refund or to bill the non-primary line subscribers in the current tariff.) This conclusion is apparently

beyond dispute since it has not been addressed by MCI or any other party.¹

I. THE MO&O'S RETROACTIVE DEFINITION OF "NON-PRIMARY" LINES MUST BE REVERSED.

In short, the Commission did not tell Pacific how to count non-primary lines for the December 1997 tariff filing. Pacific was required to make its best guess, and did so reasonably. The MO&O now states that Pacific guessed wrong. If the MO&O had just stated that the new definition now revealed by the MO&O would be used only on a going-forward basis, that would be bad enough (given the deficiencies detailed in SBC's Petition). But the MO&O takes the further egregious step of penalizing Pacific for not having guessed right by ordering a refund based on the new definition, while providing interexchange carriers (IXCs) an unwarranted windfall (as described in greater detail in Section IV).

MCI asserts that the MO&O did not adopt a new definition of "non-primary" lines, "but simply acted pursuant to its well-established authority to make interpretations of its rules and orders in a tariff investigation."² MCI claims that the Commission's action in the MO&O, in determining whether Pacific's non-primary line definition was reasonable and applied in a reasonable manner, is different than the activity of having the Commission provide its own new definition.

MCI notes a distinction without a real difference. The MO&O's action now de facto defines "non-primary" lines retroactively in the face of a pending rulemaking proceeding to do the same. Pacific is being penalized for not meeting the Commission's expectations of what a

¹ Likewise, the remainder of the IXC industry, by choosing not to oppose SBC's Petition, shows no objection to SBC's claim on this or any of SBC's other points.

² MCI at p. 2 (footnote omitted).

proper definition of non-primary lines should be (even though affected LECs were imploring the Commission to define "non-primary" lines before they were required to implement the tariff changes), and is thus being told, (however vaguely) what a proper definition should now be. Pacific now has some guidance (albeit not a formal decision in CC Docket No. 97-181) to determine how non-primary lines should be defined in the future.³

As MCI admits, at the time of the tariff filings, "the Commission had not yet adopted a definition of nonprimary lines...." Further, not only had the Commission not yet adopted a formal definition of non-primary lines, it provided virtually no guidance as to the proper range of definitions. Pacific and all other local exchange carriers (LECs) were merely told to use their own judgment and effort to implement a proper definition and application. Not only had the Commission not adopted a definition of non-primary lines at the time of the tariff filing (even though the Access Charge Reform Order had assured the industry that the definition would be issued in time),⁴ it still has not done so. The lack of written guidance is crucial here. The LECs were informed by conference call and never in writing that each of them should employ their own definitions. Given the complete lack of guidance on how to define non-primary lines, Pacific's definition must, by default, be found reasonable, at least as to the retroactive period.

MCI claims that Pacific's practice "effectively nullified the Access Reform Order's

³ The process of having the Commission define a term in a tariff proceeding is always problematic. The parties to the official rulemaking docket (CC Docket No. 97-181) may not be the same as those in the tariff proceeding.

⁴ MCI at p. 3.

⁵ Access Charge Reform 12 FCC Rcd 15982 (1997), at para. 83.

primary/nonprimary line distinction.”⁶ MCI, however, completely fails to recognize the plain language of the Access Charge Reform Order. The Access Charge Reform Order states that it is: “not defining ‘primary’ or ‘non-primary’ lines in this Order.” Without a “definition” the “distinction” cited by MCI cannot be made.⁷

II. THE COMMISSION’S PRESCRIPTION WAS UNREASONABLE.

MCI asserts that the MO&O’s resort to public data sources was reasonable since the Commission did not have access to Pacific’s billing records. MCI thus implies that Pacific’s billing records would have revealed the same figures as the Commission’s public data sources, had the Commission had access to the Pacific billing records.

MCI again misses the point. Pacific’s billing records at the time of the tariff filing did not have the information to determine a percentage of non-primary lines similar to that of the public data sources. MCI, like the MO&O, ignores the fact that Pacific’s billing records, at the time of the tariff filing, could not reliably discern any more non-primary lines than those used in the filing. MCI makes reference to the public statements of Pacific Bell, as well as the figures in the public data sources. Nevertheless, the definition of “additional” lines used in these statements and data sources may not be the same as that intended by the Commission for “non-

⁶ MCI at p. 3.

⁷ Access Charge Reform Order, para. 83.

⁸ Also noteworthy is the fact that the LECs were given less than two months from the time of the October 27, 1997 conference call directing them to implement their own definition in the tariff filing, as compared to the five and one half months the Commission has taken to determine that Pacific’s definition was unreasonable. If the definition used by Pacific Bell was as unreasonable as the MO&O determined, certainly that determination should have been provided to Pacific Bell much sooner for implementation. If, on the other hand, it truly took five and one half months for the Commission to determine that Pacific Bell’s definition was unreasonable, Pacific Bell should be given at least five and one half months to implement any definition change.

primary" line.⁹ Thus, the definitions used by the public statement and the public data sources are irrelevant and cannot be used for the harsh remedy of a prescription.

The standard company (Pacific Bell) definition and count of "additional" lines (ADLs) (as used in the Pacific Bell public statement cited in the MO&O) come from PARIS (Product and Revenue Information System). It is pulled from PARIS as a distinct element code. PARIS information is populated as a direct result of a field identifier (FID) that is placed alongside a normal access line USOC order. The FID is placed on incoming orders by the PREMISE system, which defines an ADL as "more than one line into a customer premises."

The ADL FID was developed many years before the Commission ever conceived of the idea of non-primary lines. The ADL FID merely indicates that there is another line into a premise.¹⁰ The ADL FID is insensitive to the specifics of the other line, it is only dependent on its existence. The ADL FID is not dependent on the customer's billing name (consolidated or separate bills) or the relationship of the parties in the premise (roommates, fraternity or sorority members, boarders, siblings, parents and children, multiple families, etc.)

California demographics indicate a large number of multiple households in single family dwellings:

- High number of families in California that live together.
- High housing costs, so people have roommates.

⁹ Pacific cannot say whether the definition used by these data sources for "additional" line matches the Commission's definition of "non-primary" line since the Commission has not yet formally defined that term. Pacific assumes that the eventual definition of "non-primary" line will be similar to that implied by the MO&O.

¹⁰ The ADL FID is used to alert the technician when installing service. The ADL FID indicates to the installer that there is another line somewhere in the premise and that it should not be disconnected when establishing service for the additional line.

- High number of colleges with roommate and boarder situations.

Thus, the ADL FID would count these subscribers as ADLs, but the definition of "non-primary" line used by Pacific Bell's billing system would not count them as "non-primary."¹¹ Pacific Bell's treatment is consistent with the Commission's decision in paragraph 33 of the MO&O.

As pointed out in SBC's Petition, the non-primary line count in Pacific Bell was lower than the number anticipated by the MO&O because SBC's definition only considers a line to be non-primary if it is a line "billed on" the customer record, i.e., a multi-line residential amount.

Since a formal definition has not yet been adopted by the Commission, multiple proposed definitions have been found reasonable.¹² There should be no surprise that these multiple definitions provide varying percentages (from LEC to LEC) of non-primary lines. It is unreasonable for the MO&O to hold Pacific Bell's definition to be unreasonable by finding the percentage resulting from it to be too low, when the MO&O's "studies" are made up of the various percentages (from the other regions that used various definitions). Thus, the "evidence" cited by the order is irrelevant¹³ and the refund cannot stand.

¹¹ In the following situations, an ADL FID would be populated but the line would not currently be classified as a non-primary line for billing purposes:

- A second line is ordered for Jane Customer's house by her adult son, John Customer, who lives with her. The bill for the second line is in John's name and he will pay the bill.
- Jane Customer calls to order a line for herself. She lives with Mary Customer, a roommate, who already has a line to the house. Jane will get a separate bill and pay the bill herself.

¹² The MO&O itself (in paras. 33-39) notes that the various LECs adopted varying definitions of "non-primary" lines.

¹³ Clearly, as noted in SBC's Petition, had the "evidence" been placed into the record at a time that would have allowed SBC to respond, the Commission would have been made aware of

III. THE REFUND IS UNWARRANTED.

MCI claims that "[b]ecause Pacific clearly overcharged the IXCs by a substantial amount, the Commission should reject SBC's request for reconsideration of the refund requirement."¹⁴ MCI, however, agrees that at least a portion of the "overcharge" was "offset by other rates."¹⁵ MCI further states that SBC's proposal to offset the refund by estimating the amount of presubscribed interexchange charges (PICCs) that each IXCs would have paid had the Commission's new definition been in place, is unreasonable.

No refund is warranted in this case. As noted in the Petition, SBC gained no financial benefit through the implementation of its own definition of non-primary lines. The refund constitutes an unwarranted windfall to IXCs, even though these same IXCs benefited from the definition implemented by Pacific Bell. The MO&O effectively allows the IXCs to have it both ways. The IXCs benefited by not paying as many non-primary PICCs as they would have under the Commission's new definition, but they also are to be refunded the charges for the multiline business PICCs which would have been lower under the Commission's definition.

In any event, IXCs should not be entitled to any refund unless they can positively demonstrate that they will refund to end users their share of those charges they collected from end users for PICC recovery. Otherwise, the Commission is only encouraging another variation of IXC practices that the Commission has been harshly critical of – failing to pass-on lower access rates to end users. If Pacific Bell "undercharged" end users by billing a primary line EUCL and "overcharged" IXCs through PICCs, (which have been passed through by IXCs to

the irrelevance of that data.

¹⁴ MCI at p. 7.

¹⁵ MCI at p. 6.

end users), then IXCs have suffered no financial consequence and should only be entitled to a refund if they make a refund to those end users who have allegedly been overcharged. Any LEC refund without this step will simply constitute a windfall for the IXC at the expense of the end user. Because Pacific did not benefit financially from the implementation of its definition, no refund is warranted.

At a minimum, an offset must be imposed. SBC's proposed approach to an offset, as well as others that may be conceived, must be allowed. While the MO&O states that it is not possible "to determine the amount any particular IXC saved,"¹⁶ a reasonable estimate can be determined. If a reasonable estimate of the amount any particular IXC saved can be determined, it must be allowed as an offset. To do otherwise would unjustly enrich IXCs and would unreasonably penalize Pacific.

¹⁶ MO&O at para. 179.

IV. CONCLUSION

For the foregoing reasons, SBC respectfully requests that the Commission reconsider and reverse the MO&O in the manner described above.

Respectfully submitted,

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